

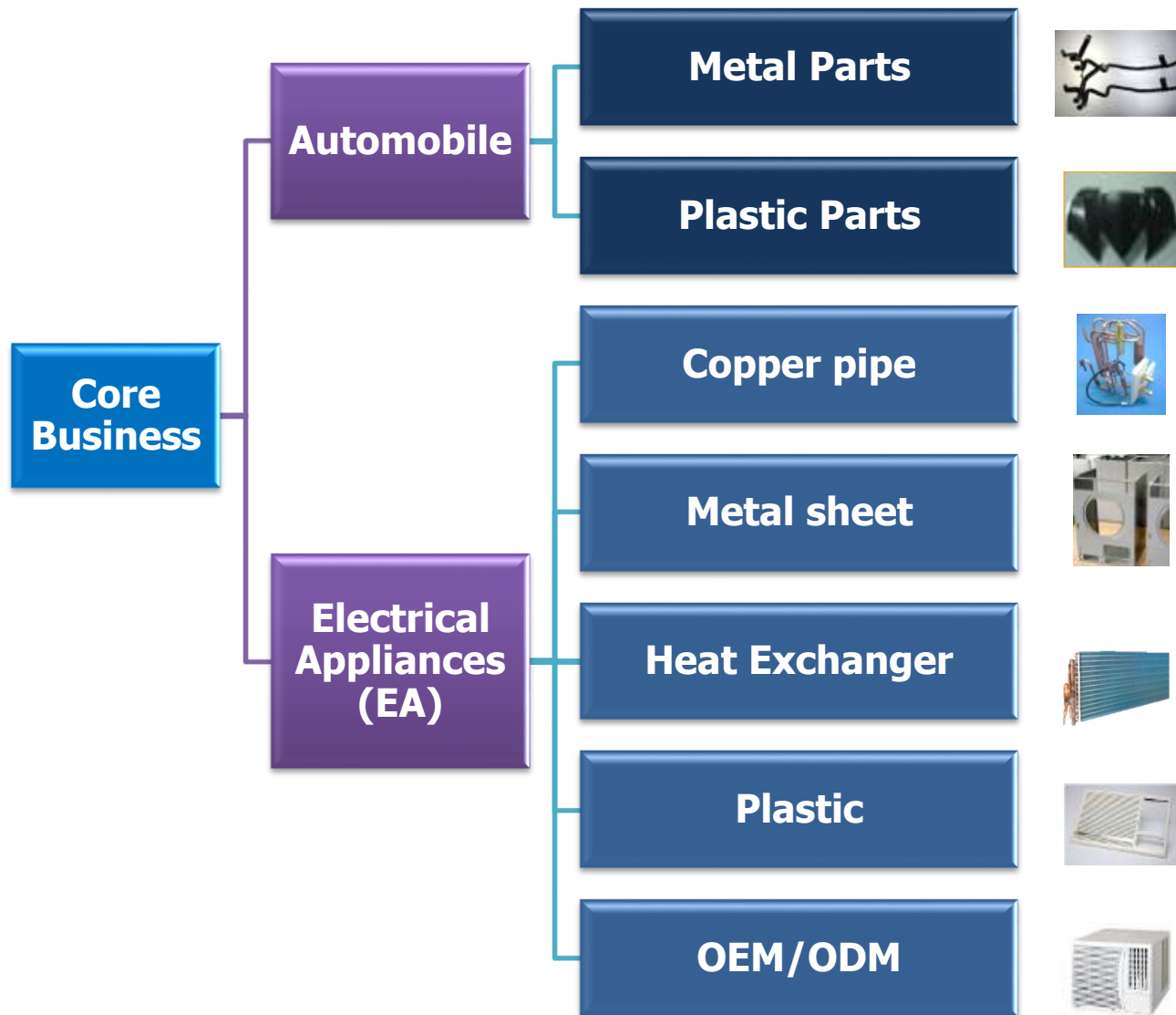
SNC FORMER PLC

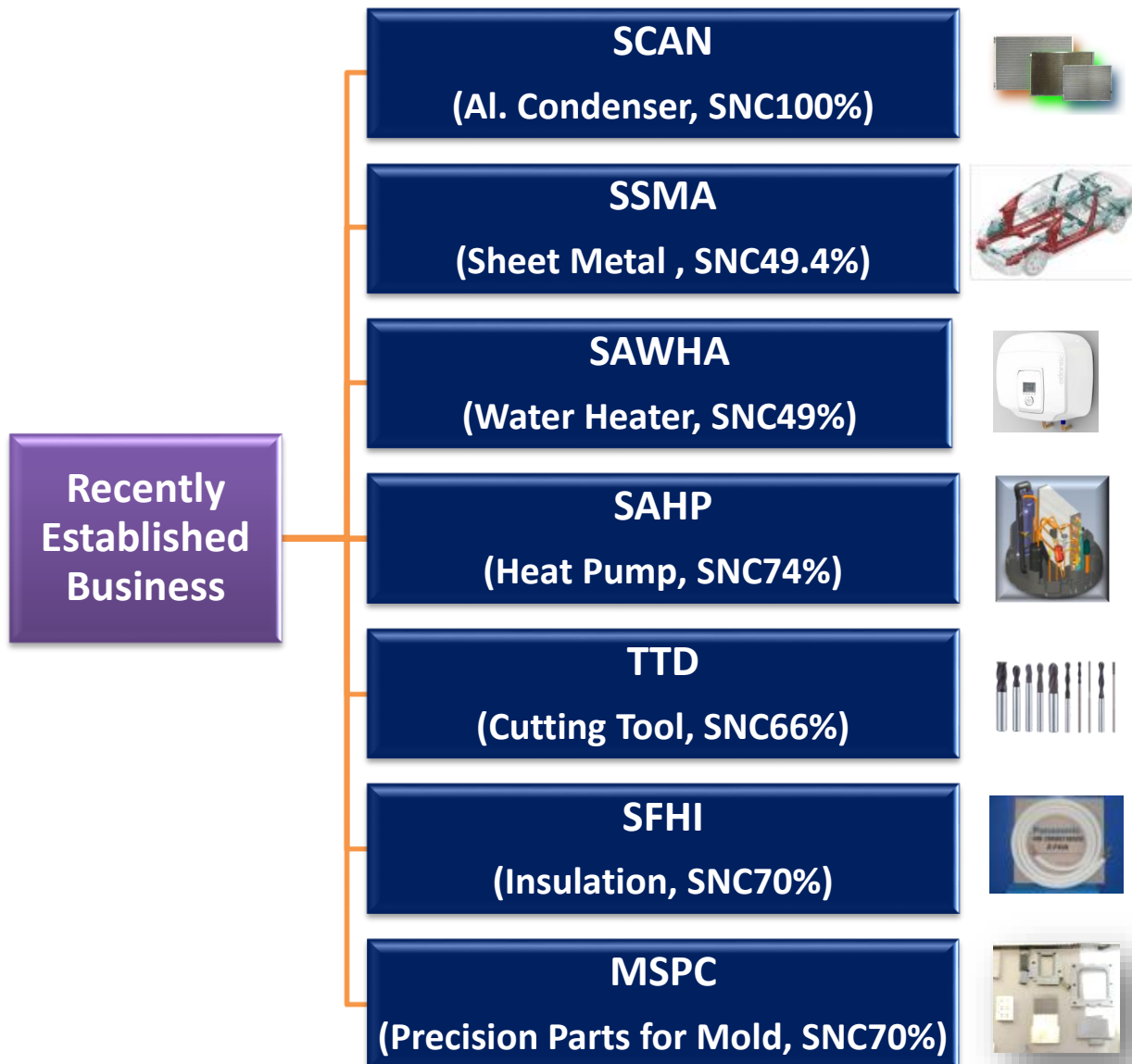
SNC

Opp day 3Q15

Nov 9, 2015







1

Financial performance

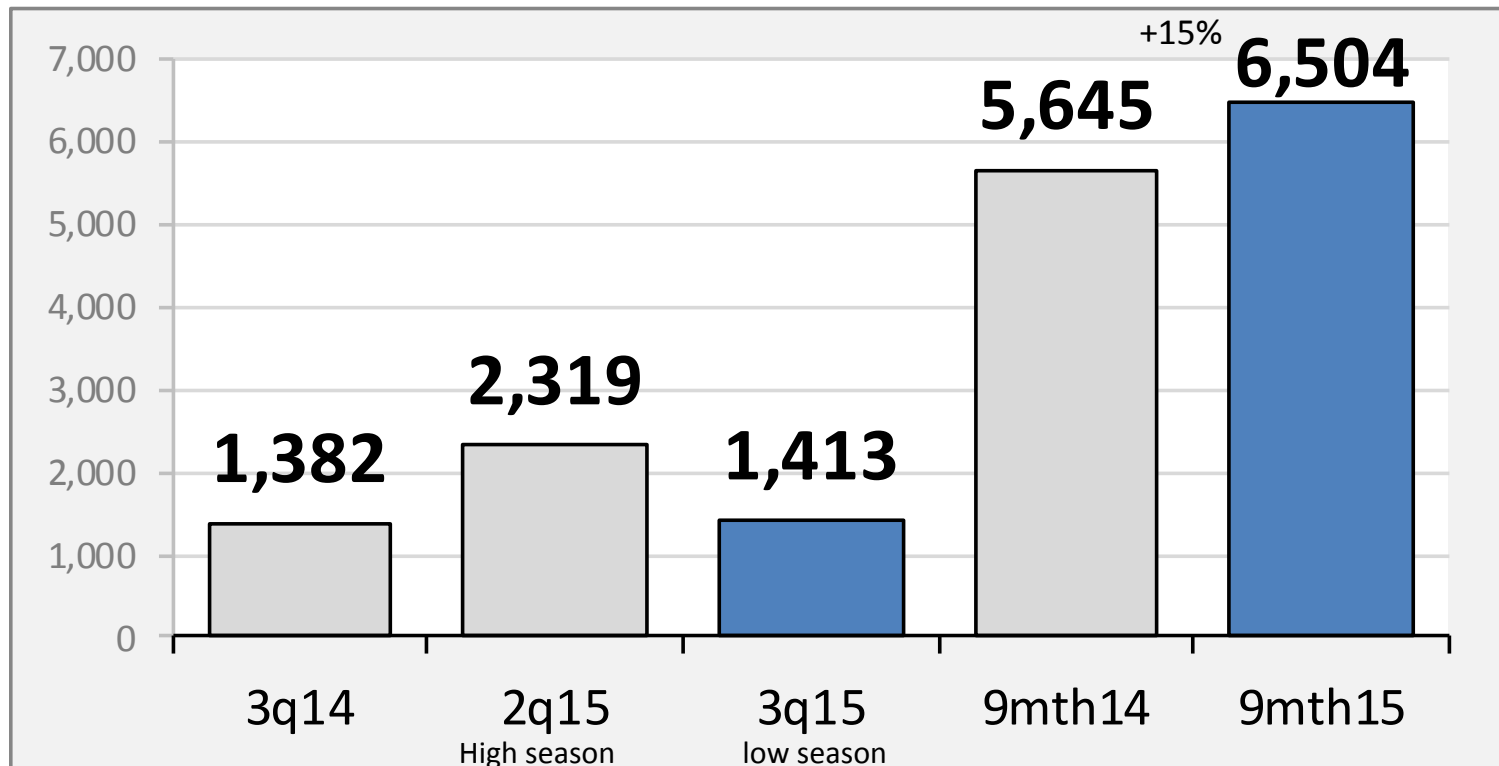
2

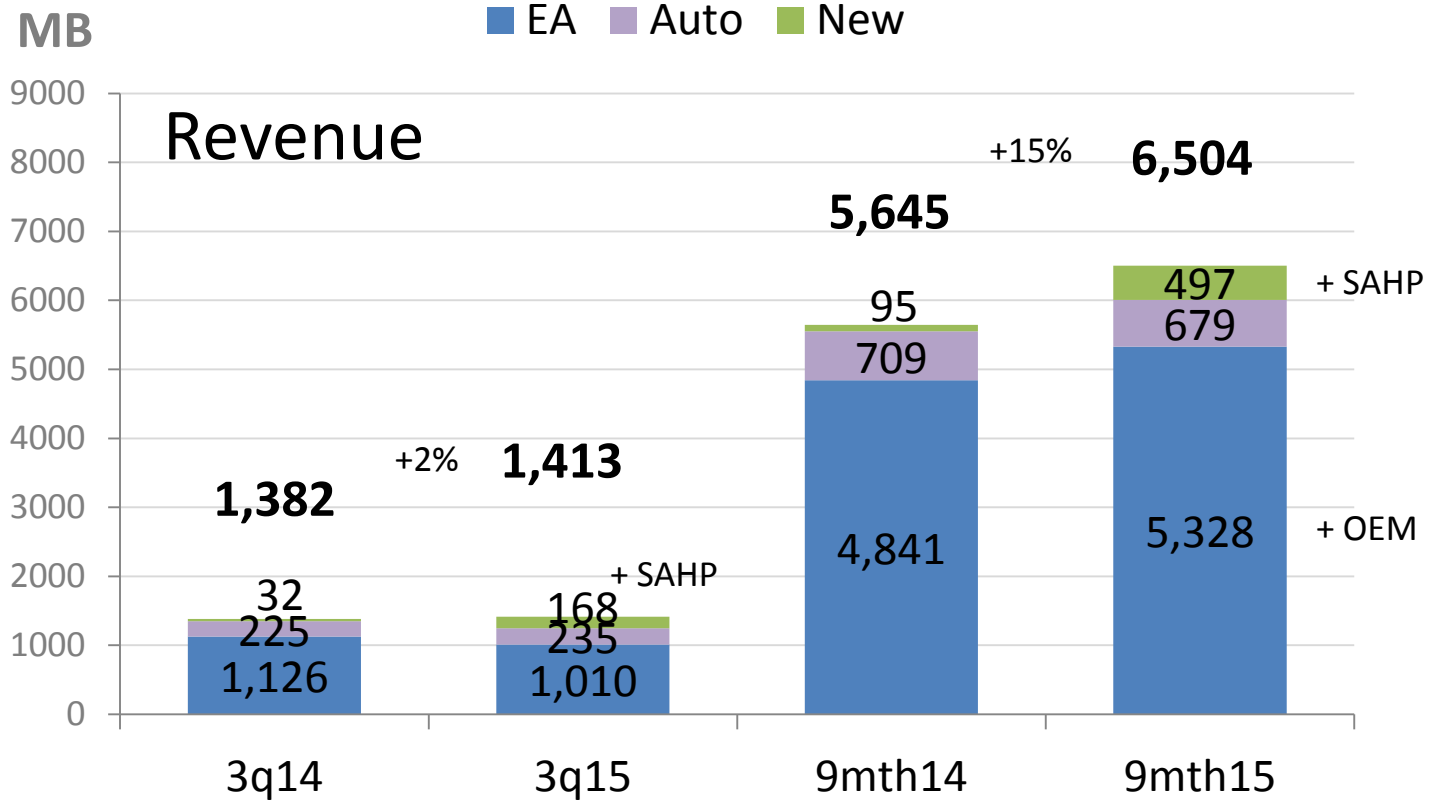
Key milestone / Business development

3

Key driver of core business and Business strategy

Revenue (THB million)



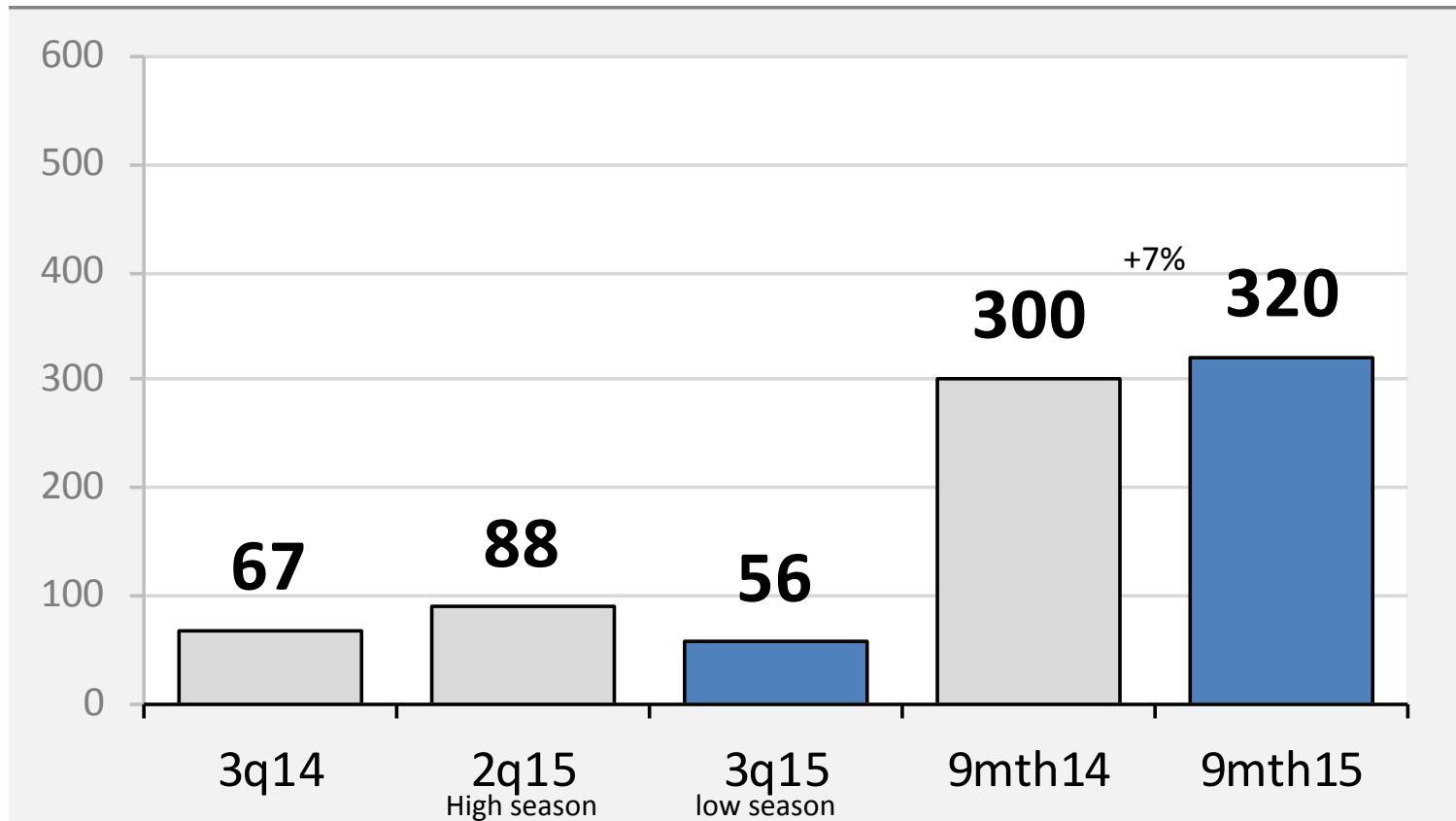


1. Finance

2. Milestone

3. Core business

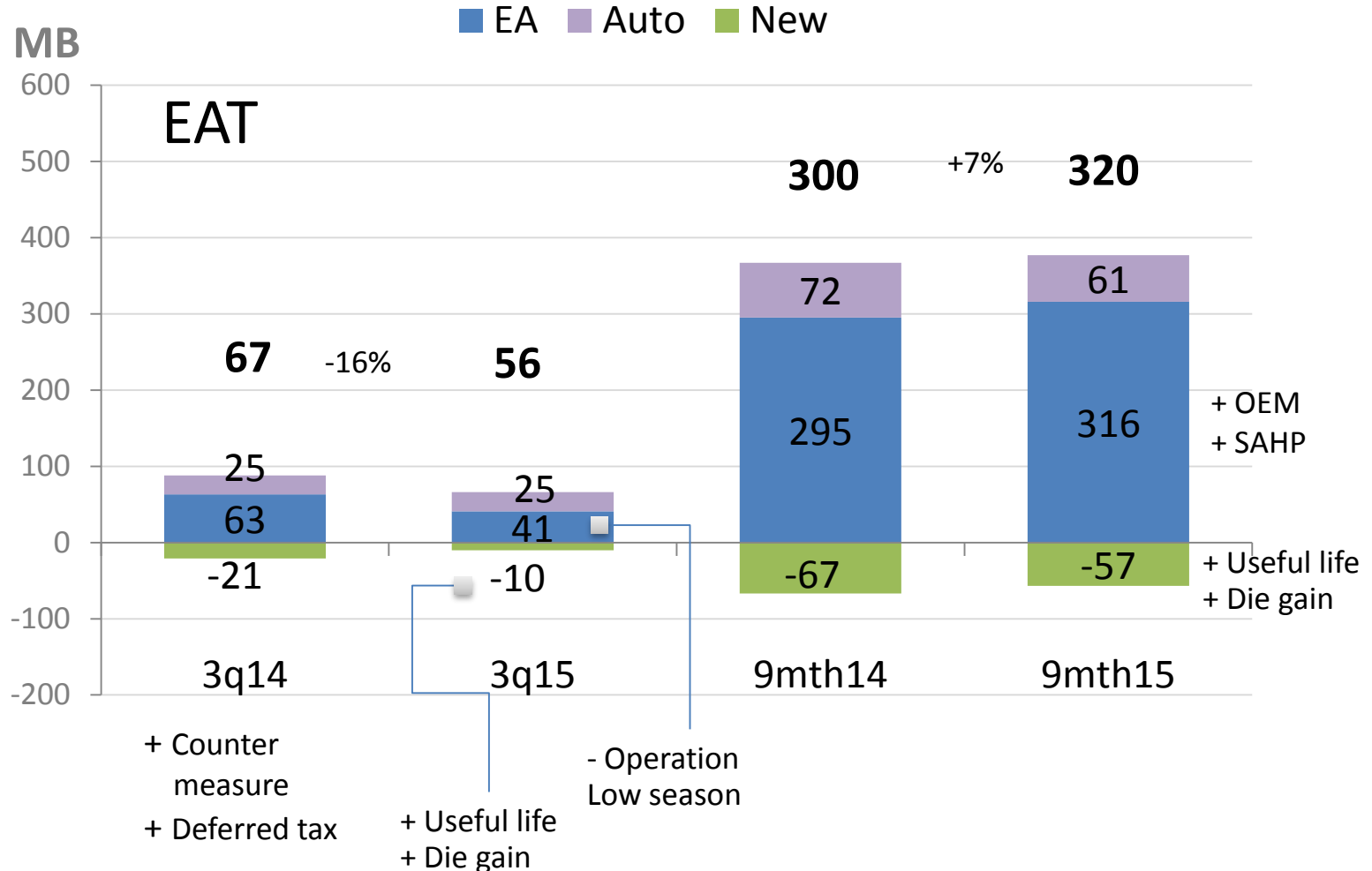
EAT (THB million)



1. Finance

2. Milestone

3. Core business














1. Finance

2. Milestone

3. Core business

SNC is planning to expand part business for home appliance and automotive products in order to get the maximum benefit from economy of scale



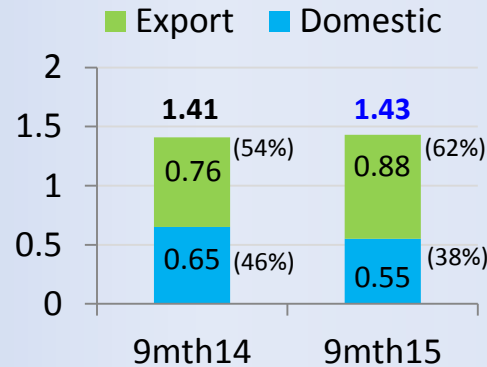
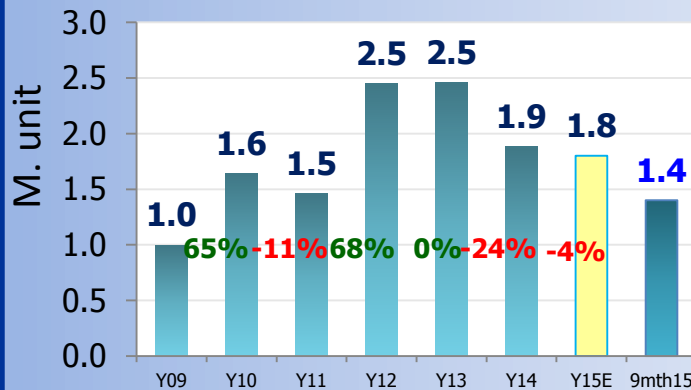
	Automotive air-cond 	Residential air-cond 	Compressor 	Freezer 	Metal sheet 	Plastic EA, Auto 	Daimond tools 	Aluminum parts 	Water heater Heat pump 	air-cond parts 	Mould parts 
Material supplier		1981	1981								
Parts supplier	1981				2005	2010	2012	2013	2014	2015	2015
Manufacturer OEM ODM		2008		2005	SSMA 2012				2015		

Small Player

Big Player

Market Dominator

Automobile

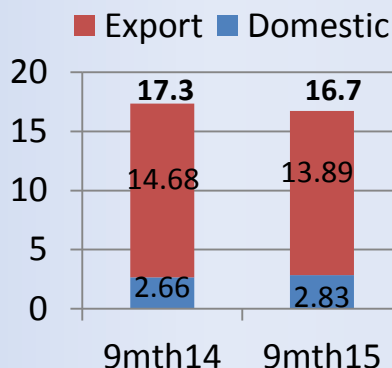


- ❖ Car production in 3Q15 = 0.50 M.units increased 8.8% YoY and increased 20.9% QoQ.
- ❖ Domestic sale in 3Q15 decrease = 11% YoY and Export sale increase = 25.3% YoY.

QoQ	2Q15 vs 3Q15		
CAR	2Q15	3Q15	%
Production	410,711	496,664	20.9%
Domestic Sales	171,322	184,723	7.8%
Export	239,389	311,941	30.3%

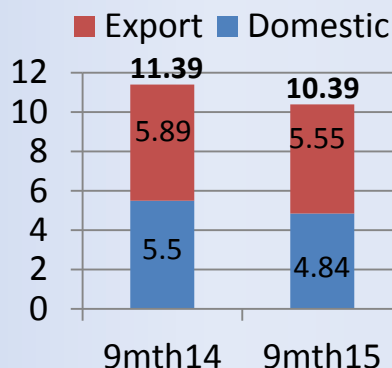
YoY	3Q15 vs 3Q14		
CAR	3Q14	3Q15	%
Production	456,435	496,664	8.8%
Domestic Sales	207,499	184,723	-11.0%
Export	248,936	311,941	25.3%

Air Conditioners



❖ The 9mth15 - AC production in Thailand shows the sign of reduction compared to 2014 around 3.5% (17.3 M vs 16.7 M) mainly from the Export market.

Compressors



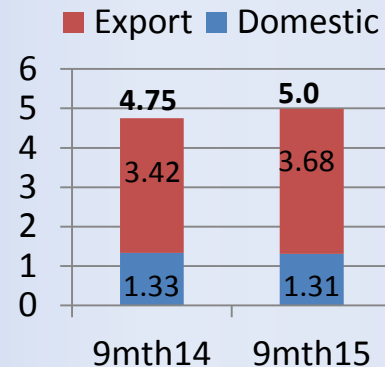
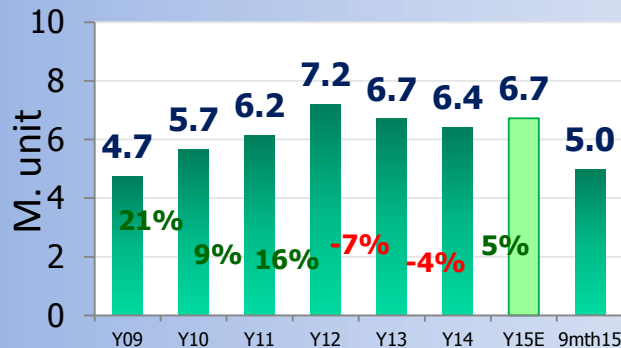
❖ The 9mth15 - Compressor production in Thailand is estimated at 10.39 M.unit while those of 9mth14 was 11.39 M.unit, 8.8% decreased YoY.

1. Finance

2. Milestone

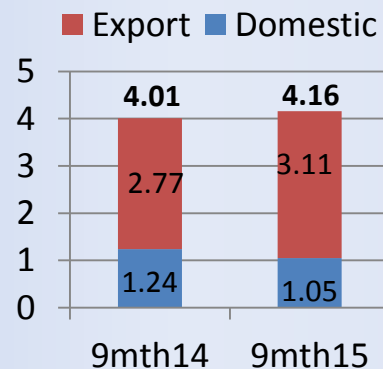
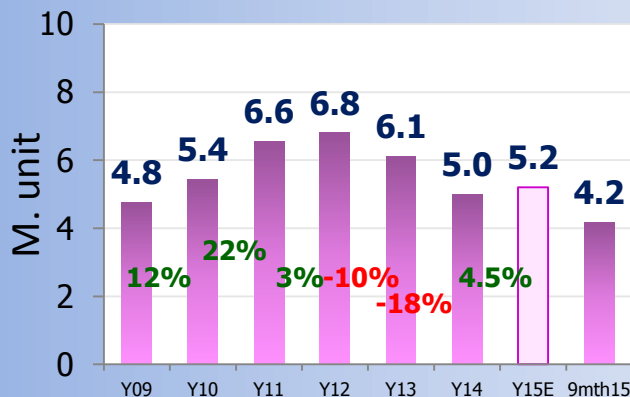
3. Core business

Refrigerator



❖ The 9mth15 production is estimated at 5.0 M.unit while those of 9mth14 was 4.75 M.unit, increased 5.3% YoY.

Washing Machine



❖ The 9mth15 production is estimated at 4.16 M.unit while those of 9mth14 was 4.01 M.unit, increased 3.7% YoY.

1. Finance

2. Milestone

3. Core business

EA Parts

- Growth with the Big Brands AC manufacturers
- Growth with the increasing number of OEM / ODM production in SNC group

EA OEM

- Increasing number of WINDOW AC and R32 Split AC in Y2015.

Core business

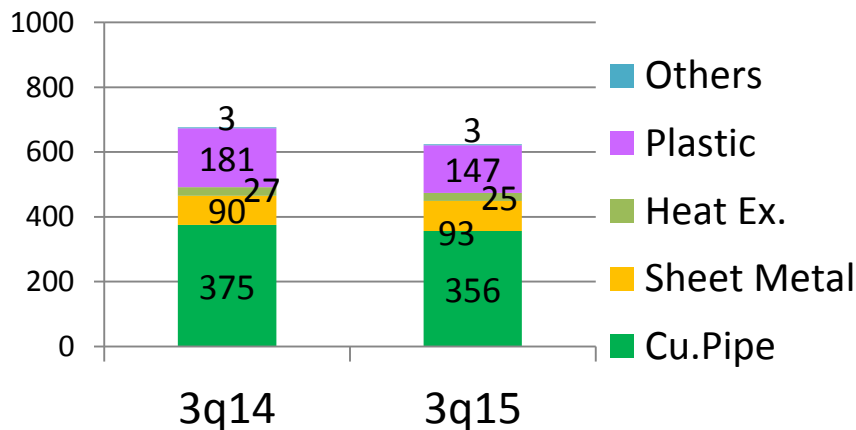
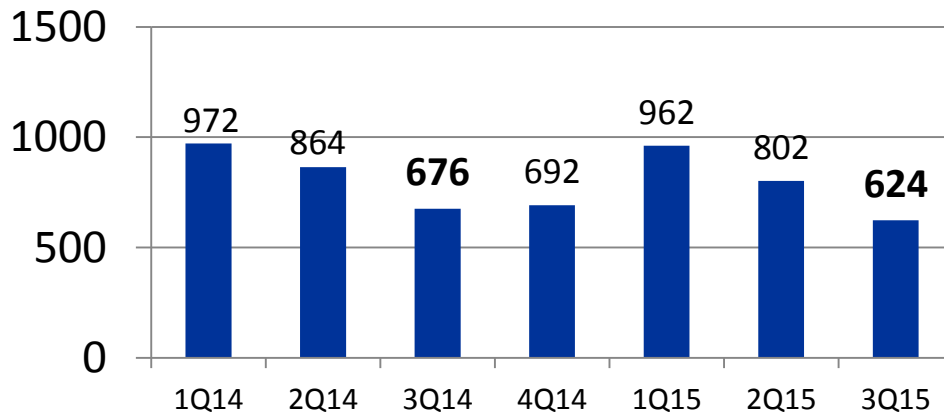
Auto Parts

- Car production trend reduce from 1.88 M → 1.8 M units
- Growth from New parts / New Customers

EA ODM

- Sales of Heat Pump for Water Heater will be moved to SAHP with the increasing number.
- Increasing trend of Sales for Industrial AC.

Sales of EA Parts (MB)



❖ Sales of EA Parts in Q3-15 was 624 MB, -22.19% QoQ from seasonal effect and -7.7% YoY. The main reason is less order from major customers following to the A/C industries trend and the effect of material price down (LME of Copper and Plastic)

❖ Following to the increasing number of Heat pump business, the sales of upstream parts (internal sale) was increasing 9 MB YoY. (48MB → 57MB)

3. Core business

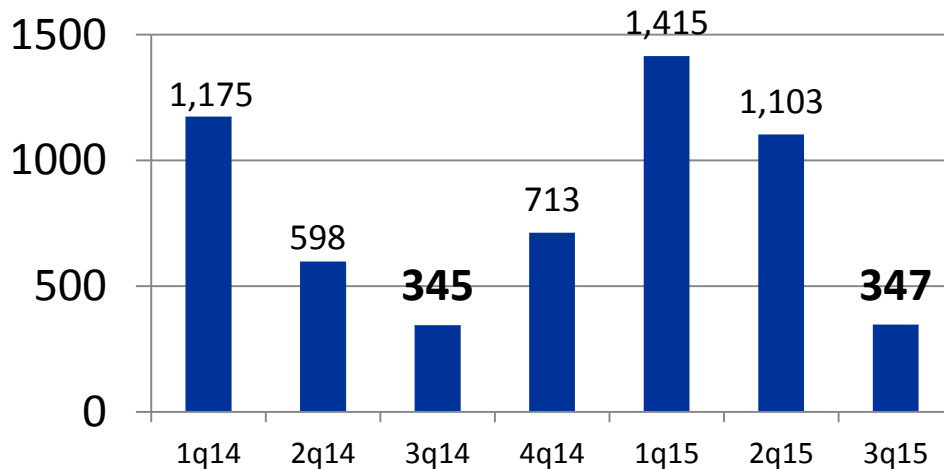
3.1 EA Parts

3.2 EA OEM

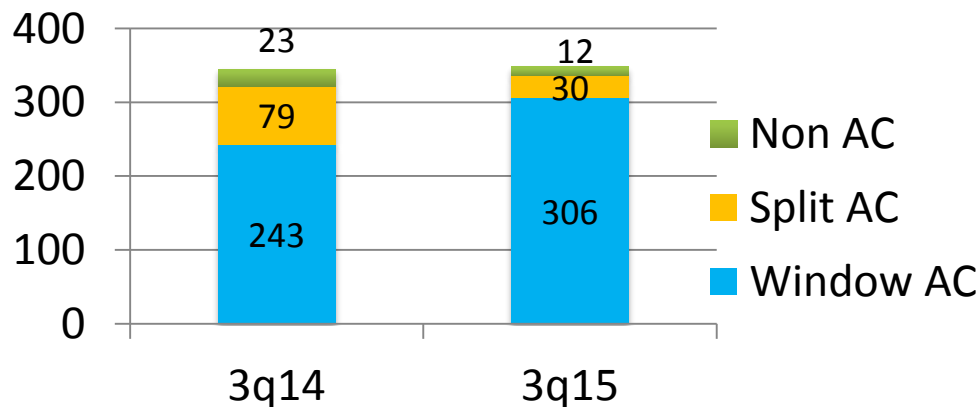
3.3 Auto Parts

3.4 EA ODM

Sales of EA-OEM (MB)



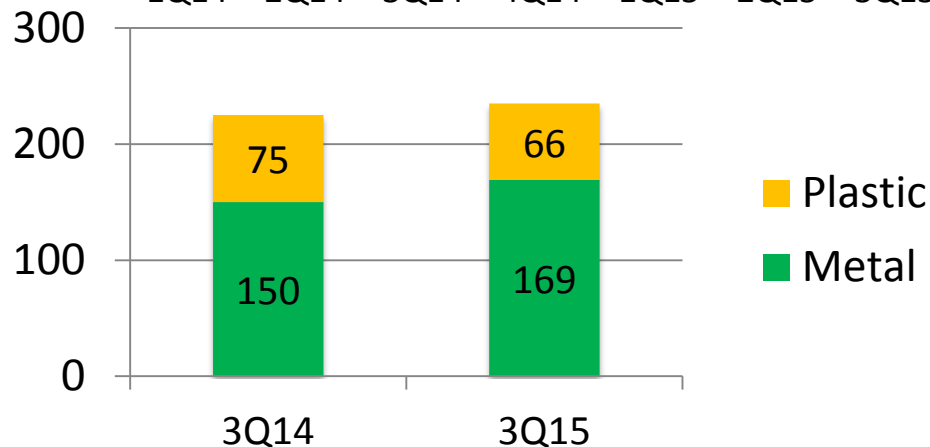
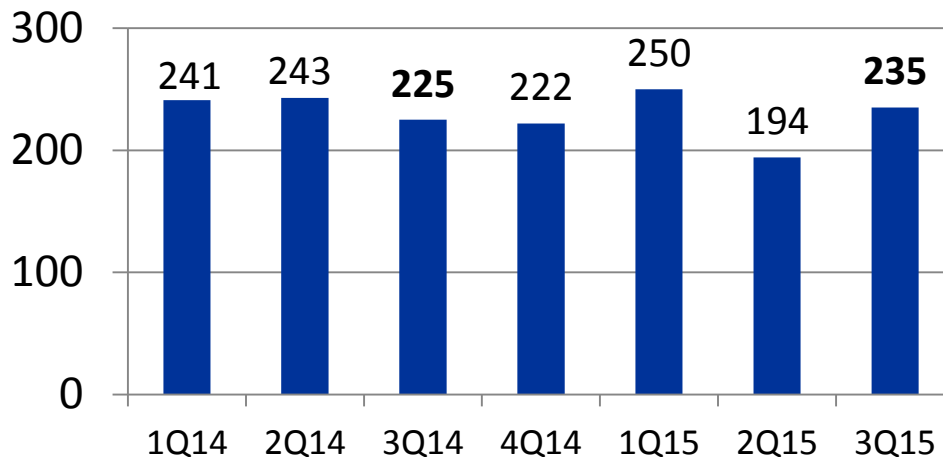
- ❖ Sales of OEM group in 3q15 was decreased 756 MB QoQ from the seasonal effect but almost same level as 3q14.
- ❖ Sales of Window AC in 3q15 was increased 26% YoY mainly from the new model.
- ❖ On the other hand, sales of Split AC (R32) was decreased 62% YoY because of India and Bangladesh market.



	3q14	3q15	
	3	2	Units
	21,984	8,930	Units
	28,831	33,978	Units

Core Business (Automobile)

Sales of Automobile Parts (MB)



❖ Sale of automobile parts in 3q15 was 235 MB., +4.4% YoY and +21.1% QoQ from new model mass production.

3. Core business

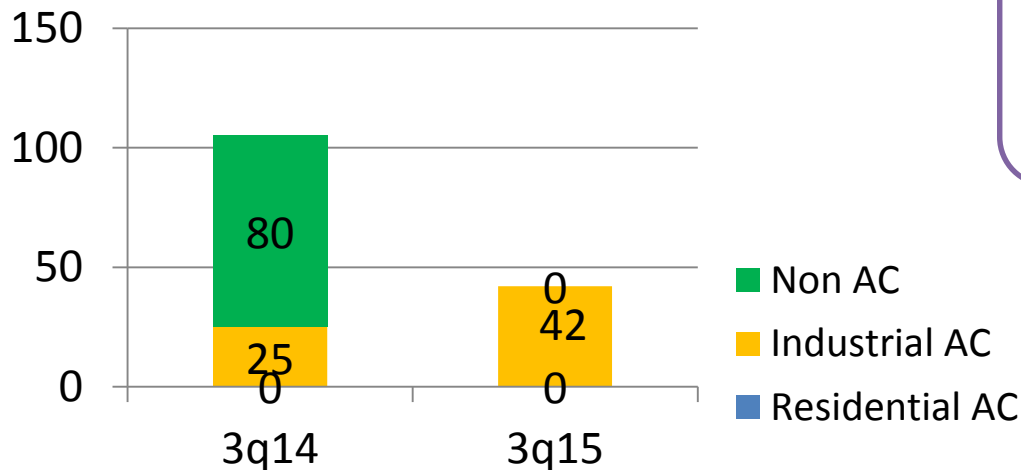
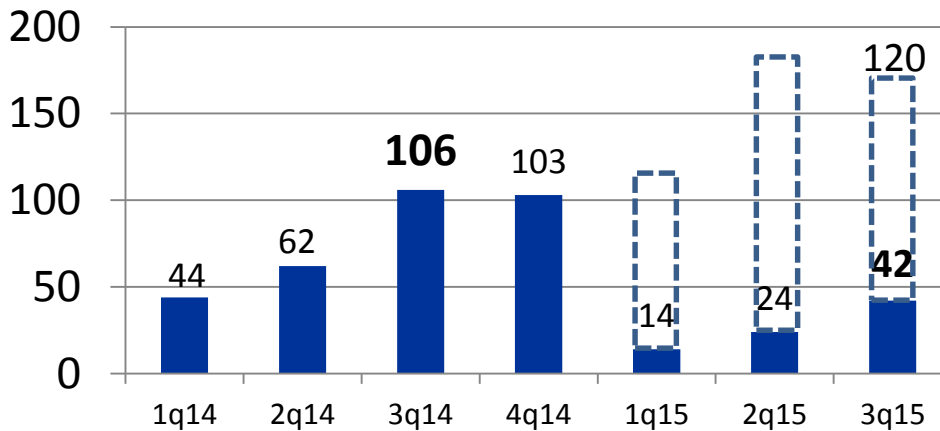
3.1 EA Parts

3.2 EA OEM

3.3 Auto Parts

3.4 EA ODM

Sales of EA-ODM (MB)



- ❖ Sales of ODM group in 3q15 was decreased 64 MB YoY but increased 18 MB QoQ. This is because of the sales of Heat Pump product for Water Heater has been moved to SAHP account (recently established business group) of which 3q15 sales of SAHP was 120 MB.
- ❖ Sales of Industrial AC group was increased significantly mainly from the Heat Pump for Agriculture (NEPON)

3q14	3q15	
9,191	-	Units
896	1,465	Units
-	-	Units

Recently business

SCAN

SSMA

SAWHA/SAHP

TTD/SFHI/MSPC

SCAN

- Start to supply to customer but the quantity is still low

SSMA

- Sales reaches to BEP

SAWHA/SAHP

- Start operation with continuing strong demand by the Energy Saving trend in EU.

**TTD/SFHI /
MSPC**

- **TTD** Cost reduction by new material source
- **SFHI** Start operation
- **MSPC** Start operation

Recently business

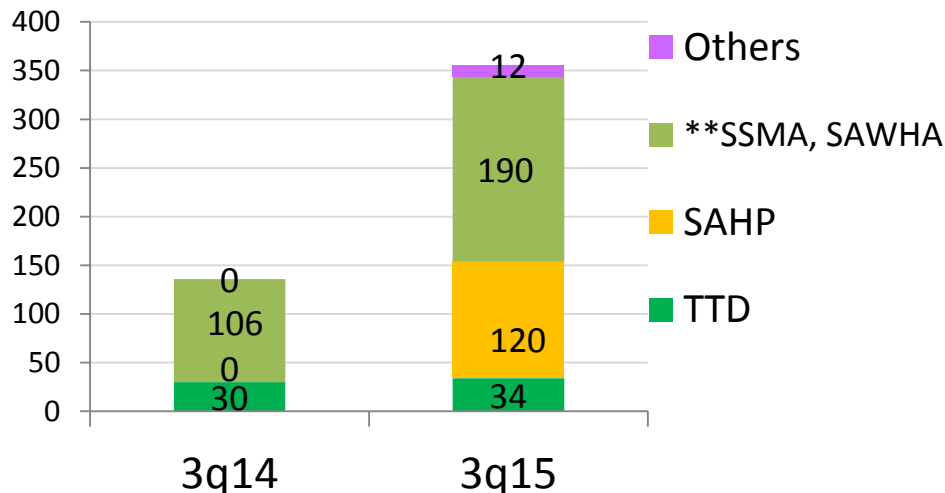
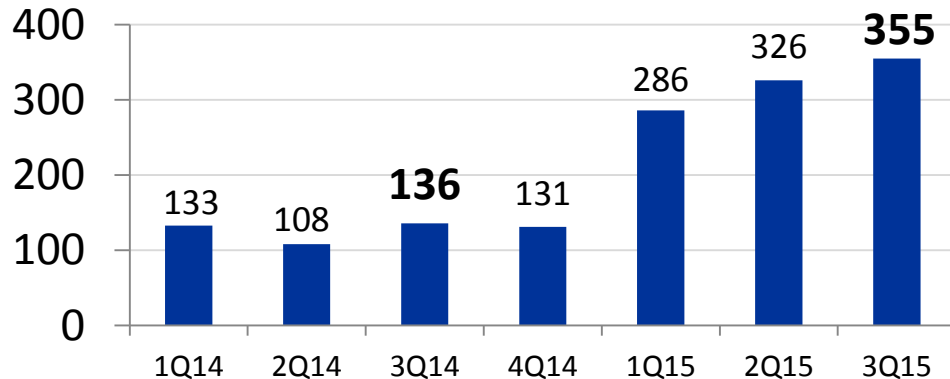
SCAN

SSMA

SAWHA/SAHP

TTD/SFHI/MSPC

Sales of new business(MB)



❖ Sales of this group in 3q15 was increasing 219 MB or +161% YoY. The main portion comes from SAHP (0→120 MB), SSMA (100→161 MB) SAWHA (6→29 MB).

** SSMA, SAWHA : The sales of this is not be consolidated into SNC sales.

Recently business

SCAN

SSMA

SAWHA/SAHP

TTD/SFHI/MSPC



- ❖ Product
 - ❖ Aluminum Condenser for Residential A/C
 - ❖ Hose for Car A/C.
 - ❖ Aluminum Pipe for Car A/C
- ❖ Capital 200 MB
- ❖ Location : SNC @Rayong
- ❖ Target Customer :
 - ❖ Residential AC makers (Al. Condenser)
 - ❖ Car A/C makers (Hose, Al. Pipe)
- ❖ Highlight activities in 3q15:
 - ❖ Aluminum Condenser has been started Mass Production since June 2015 but the production volume was still very small.
 - ❖ Hose for Car A/C business has been passed the evaluation from customer. The mass production will be started from the beginning of next year.

Recently business

SCAN

SSMA

SAWHA/SAHP

TTD/SFHI/MSPC



- ❖ Product
 - ❖ Stamping parts for Electrical Appliances and Automotive
- ❖ Capital 160 MB :
 - SNC (49%) : SUGIMOTO (46%) :Others (5%)
- ❖ Location : SNC @Rayong
- ❖ Customer :
 - ❖ Auto : SUZUKI, H-One, Kyokuyo, Bestex, etc.
 - ❖ Electrical Appliances : SNC, Mitsubishi, Electrolux, Hitachi, Toshiba
- ❖ Highlight activities in 3q15 :
 - ❖ Low season for the A/C parts but parts for refrigerator was stable compared Q-on-Q
 - ❖ Demand from Automobile parts in Q3-15 increased around 38%from Q2-15 by the result of new models parts (SUZUKI, TOYOTA).

Recently business

SCAN

SSMA

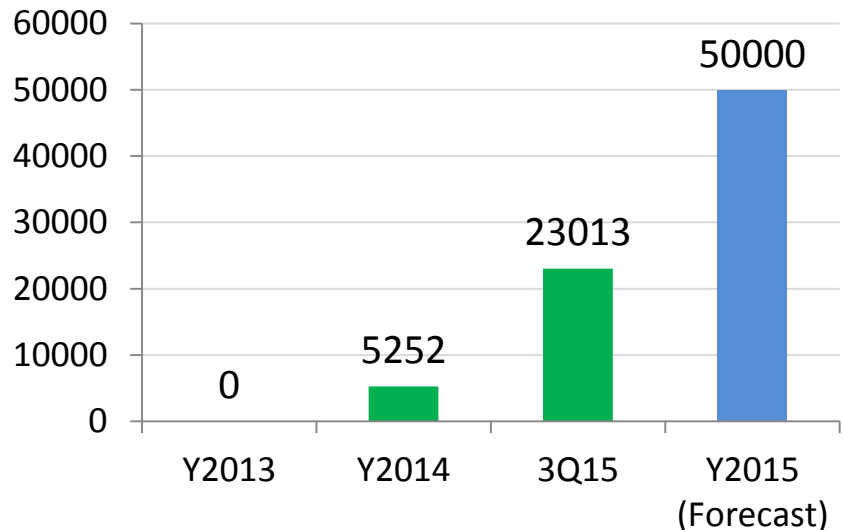
SAWHA/SAHP

TTD/SFHI/MSPC



- ❖ Manufacturing of water heater.
- ❖ Capital 45 MB, Atlantic 51% + SNC 49%
- ❖ Location : SNC @Rayong
- ❖ Target Customer : export to Vietnam, Indonesia, India, Korea, etc.
- ❖ Main target in Y2015:
 - ❖ Penetrate into India → Got approval by Bureau of Energy Efficiency (BEE) of India in March 2015
- ❖ Revised forecast in Y2015 from 26,000 units to be 50,000 units

Sales (set)



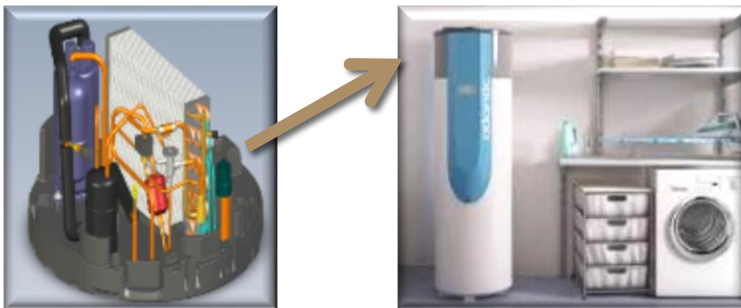
Recently business

SCAN

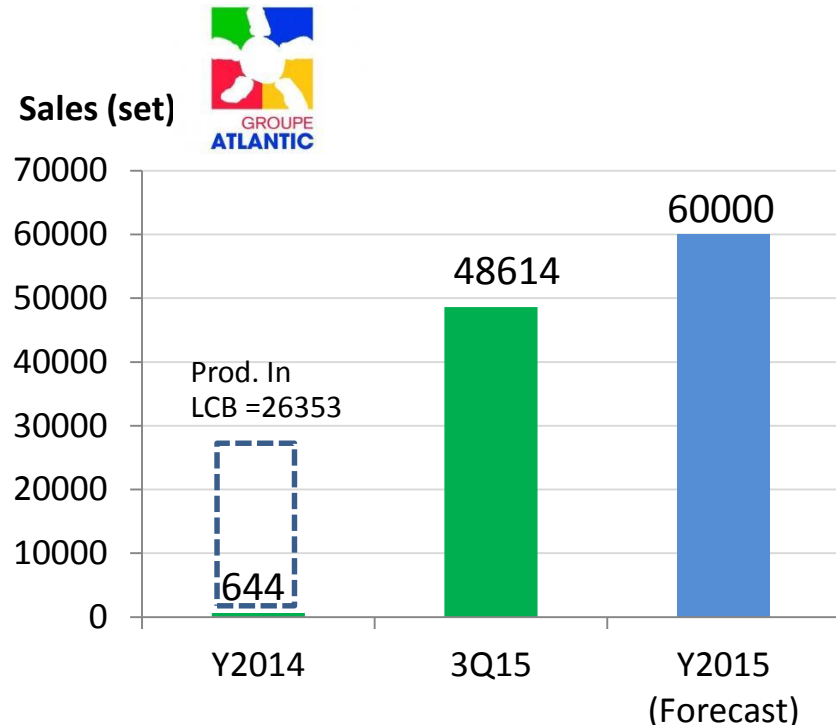
SSMA

SAWHA/SAHP

TTD/SFHI/MSPC



- ❖ Manufacturing of heat pump for water heater.
- ❖ Capital 45 MB, Atlantic 26% + SNC 74%
- ❖ Location : SNC @Rayong
- ❖ Customer : Atlantic Group in France
- ❖ Started production in Dec 2014
- ❖ Revised forecast in Y2015 from 45,000 set to be 60,000 set



Note : The number of production at SNC-LCB in Y2014 was 26,353 set.

Recently business

SCAN

SSMA

SAWHA/SAHP

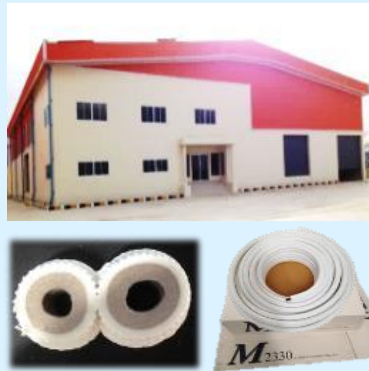
TTD/SFHI/MSPC

TTD



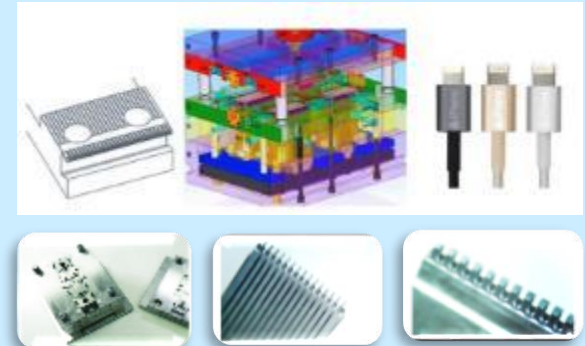
- ❖ Manufacturing of cutting tools.
- ❖ Capital 80 MB, SNC 66%
- ❖ Customer : Automotive sector.
- ❖ 3Q15: Sale 35.7 MB, EAT 0.03 MB.

SFHI



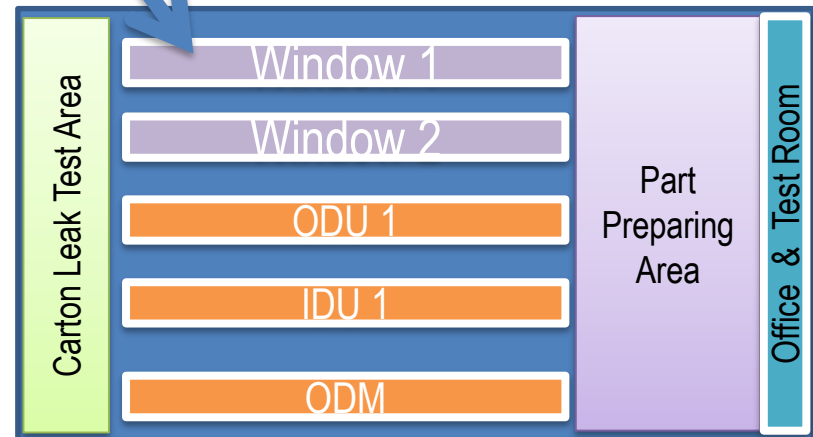
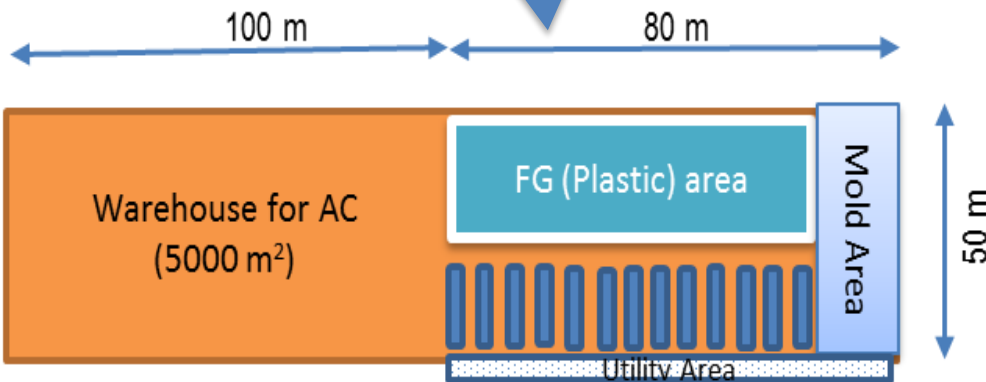
- ❖ Manufacturing of insulation pipe kit and foam insulation.
- ❖ Capital 50 MB., SNC 70%
- ❖ Customer : Export to Australia, Philippine etc.
- ❖ 3Q15, Making samples to customer, loss 4.9 MB.

MSPC



- ❖ MSPC is a maker of precision parts for injection mold.
- ❖ Capital 25 MB., SNC Group 70%
- ❖ Customer : Domestic and export to Japan.
- ❖ 3Q15: Sale 1.0 MB, loss 4.7 MB.

- Move A/C Assembly Plant from LCB to Rayong
Benefit
 - Increase more customers
 - Utilize LCB plant for another purposes
 - Improve productivity by the new equipment
- Set up Plastic Injection Business at Rayong by moving some plastic injection machines from SNC-B2.



Company Visit Program

At SNC HQ (Samutprakan)

14 November 2015

08.30-09.00	Registration at SET Reception desk .
09.00-10.00	Start traveling from SET to SNC, Samutprakan
10.00-10.30	Arrive SNC HQ, Welcome & Factory introduction
10.30-11.15	Visit our Production Line.
11.15-11.30	Taken photo with our Management.
11.30-12.00	Go to Pinkaew Restaurant, Bangboo
12.00-13.00	Lunch
13.00-14.00	Traveling to SET

A world map in a light blue color is centered on a dark blue background. The map is overlaid with a grid of thin, light blue lines that converge towards the poles, creating a sense of depth and global connectivity.

SNC

Thank you

The slide features a light gray background. A dark gray horizontal band spans the width of the slide. On the left side of this band, there is a white chevron pointing to the right. The word "Appendix" is written in white, bold, sans-serif font, centered within the dark gray band.

Appendix

Vision

SNC **Super store** (One Stop Service)

An ultimate ONE STOP SHOP & SERVICE CENTER of variety products and comprehensive services in Automotive, HVAC systems (Heating Ventilation & Air Conditioning), Electrical Appliances and Electronics industries.

Mission

1. **Quality First**
Regard of the quality of products first.
2. **Differentiation**
Create a wide variety of products and services to meet all kinds of customers.
3. **Cost Effectiveness**
Create quality products at a price that customer can buy to compete.
4. **Quick Response**
Meet customer needs with speed.
5. **Flexible Manufacturing System**
Adjust production systems to take away flexibility to rapidly changing environment.
6. **Focus on Products and Stakeholders**
Focus on products that are environmentally friendly and stakeholders, both direct and indirect.
7. **Service Mind**
A mental switch and signal intentions on the service to customers satisfaction.

Samutprakarn Province



Immortal Parts Co., Ltd



SNC Cooling Supply Co., Ltd



SNC Former PLC. (Branch 2)



Paradise Plastic Co., Ltd.



Toptech Diamond Tools Co., Ltd.



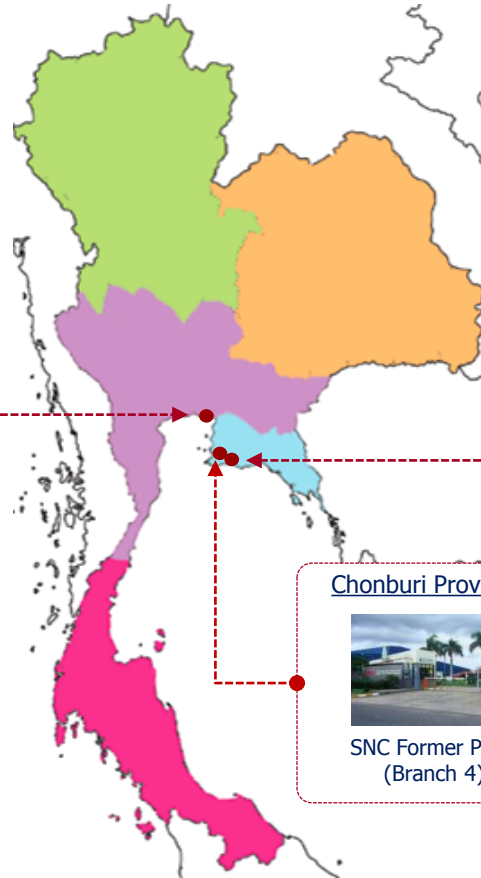
Meisou SNC Precision Co., Ltd



SNC Fukui Holy Insulation Co., Ltd.



Fuso Industries Co., Ltd.



Rayong Province



SNC Pyongsan Evolution Co., Ltd



SNC Creativity Anthology Co., Ltd.



Ultimate Parts Co., Ltd.



SSM Automation Co., Ltd.



Infinity Parts Co., Ltd.



SNC Atlantic Water Heater Asia Co., Ltd

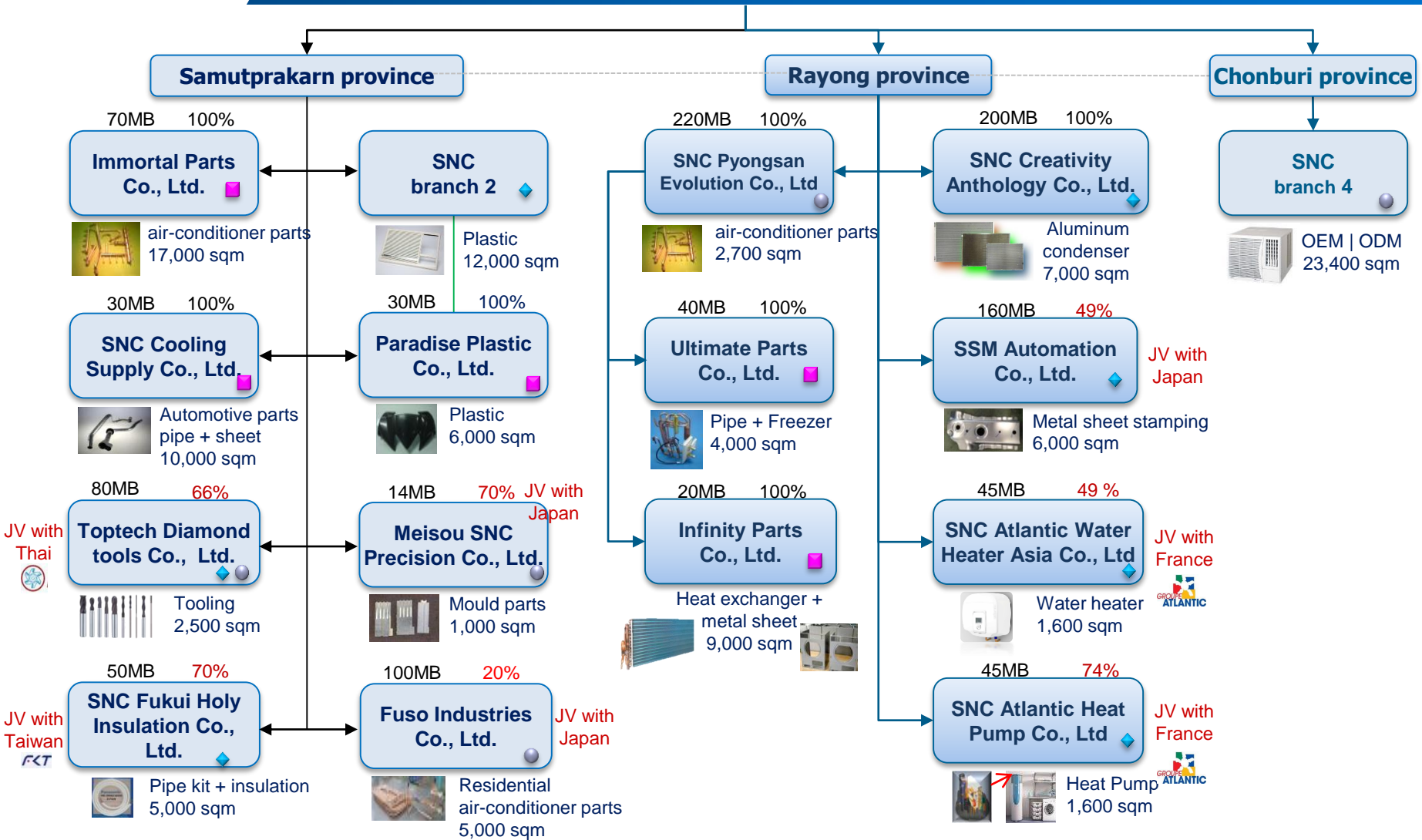


SNC Atlantic Heat Pump Co., Ltd

Chonburi Province



SNC Former PLC. (Branch 4)



- SME BOI, tax 0% 8 years, start 2011
- ◆ Normal BOI, tax 0% 3-8 years
- Non BOI, tax 20%

Total 15 companies (8 co.+ 7 JV)

Air Conditioner

Residential Air Conditioner Parts



Air Conditioner

Assemblies (OEM & ODM)

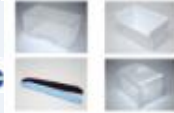


Export



parts

OEM



Plastic parts Electrical appliances



Other

Plastic parts

Motorcycle



Car



parts

Auto

Automotive

- Automotive Parts
- sub assemblies



Honda

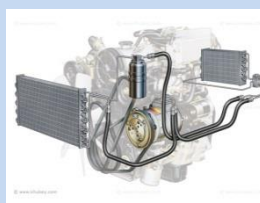


Isuzu,



Ford, Mazda, GM

Customers



Isuzu, Ford



Toyota



Mitsubishi,
Nissan



Nissan

Car maker



Auto

Sale	Auto	OEM	Part	Other
2014 (A)	13%	43%	40%	5%
2015 (F)	12%	50%	35%	3%

FUJITSU
35%

MITSUBISHI ELECTRIC
Changes for the Better
10%

DAIKIN
6%

SHARP
5%

parts

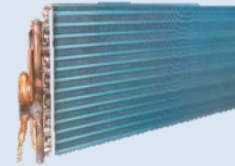
Compressor

- Compressor Parts



Copeland

Heat Exchanger



FUJITSU

TRANE

parts

OEM

Food Processing Equipment

- ODM



BIG

AIR PRODUCTS

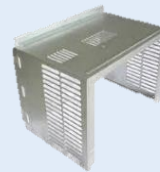
Water heater

OEM



2014

Air-conditioners



FUJITSU



TRANE

Metal Sheet



2012

MITSUBISHI ELECTRIC
Changes for the Better
Maco



AAPICO

H one

Washing machine



Electrolux

Other

Other

Diamond tooling

- Cutting tools and die

2012



PCS Holding

TOYOTA

STM
SHIM TOYOTA MANUFACTURING

SHIN-EI

DAISIN GROUP

Minebea Nabtesco

ASAHI TEC

ISUZU DENSO

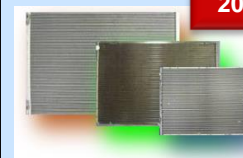
Meisou-SNC



2015

Aluminum Parts

Condenser



2013



Forging



New



Dr. Somchai Thaisanguanvorakul
Chairman of the Executive Committee



Samitt
V-CoEC

Samutprakarn



Somboon
V-CoEC

Rayong

Chonburi



Kodama
V-CoEC

Home appliance
Ex-Panasonic



Somchai + Koseki
MD
Ex-Honda



Nishino
MD
Ex-Denso



Kim
MD
Ex-LG



Ono
MD
Ex-Fujitsu



Wootichai + Iino
MD
Ex-Daikin

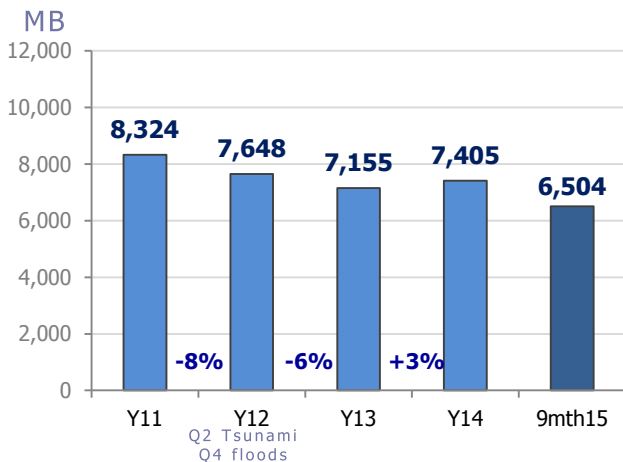


Suphot + Konno
MD
Ex-Daikyo

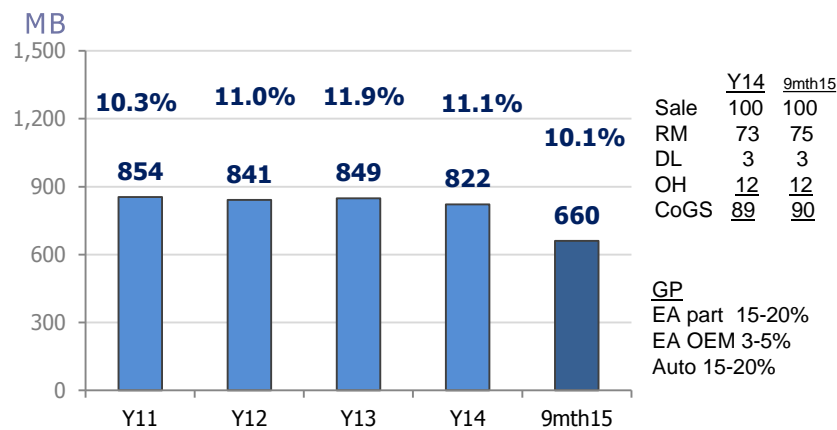
	Y12	Y13	Y14	Y15
Automotive air-conditioning parts	63%	65%	60%	60%
Residential air-conditioning parts	86%	84%	70%	80%
Compressor parts	90%	80%	70%	70%
Metal sheet stamping	54%	66%	70%	90%
Freezer	83%	80%	80%	80%
OEM	30%	30%	30%	35%
Heat Exchanger	53%	45%	50%	50%
Plastic	76%	81%*	60%	65%
SSMA-metal sheet stamping	25%	50%*	60%	70%
Toptech Diamond Tools	85%	76%*	55%	55%
Aluminum condenser (cap >> 500,000 units)	-	-	0%	7%
Water Heater (cap >> 100,000 units)	-	-	5%	50%
Heat Pump (cap >> 120,000 units)	-	-	1%	50%

* Capacity increased.

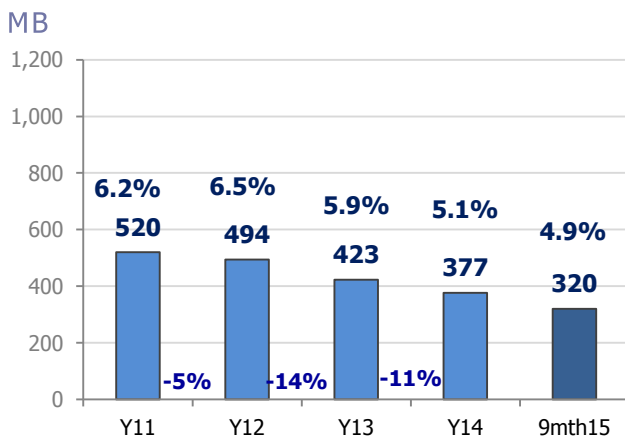
Sales



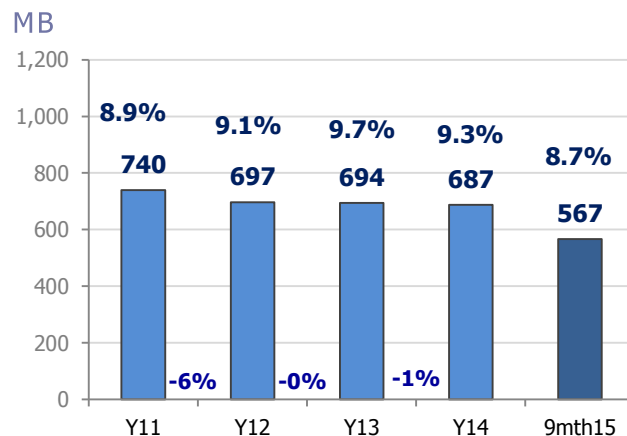
Gross Profit & Margin



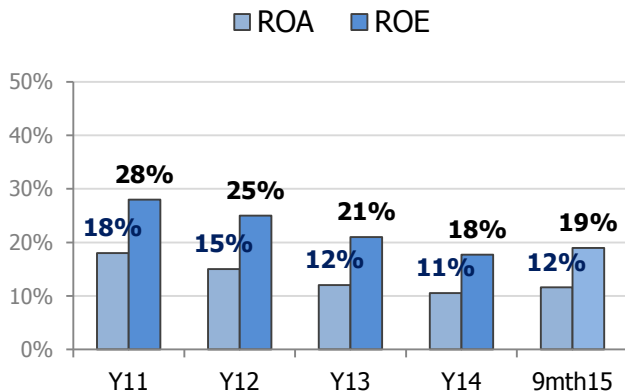
Net Profit & Margin



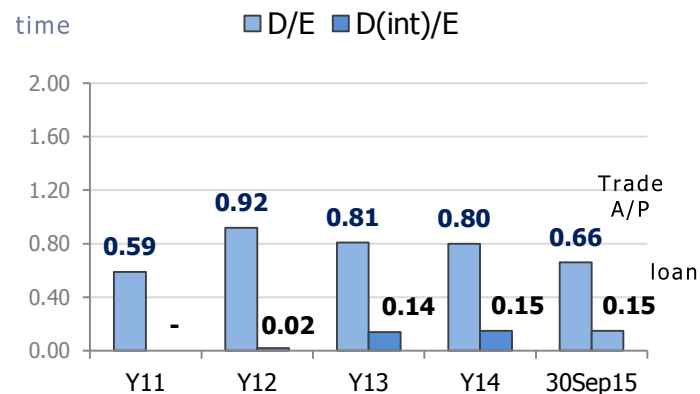
EBITDA & Margin



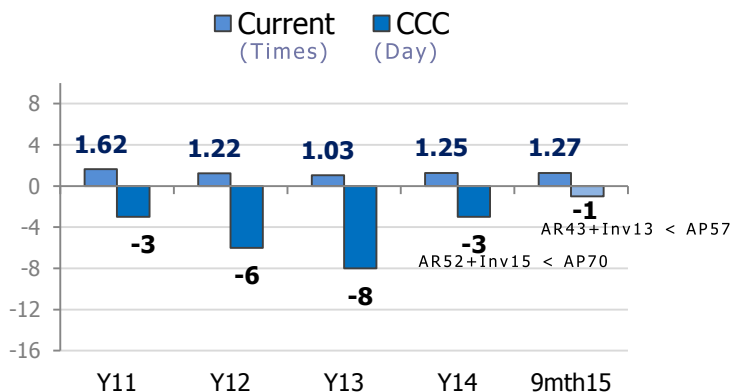
ROA & ROE



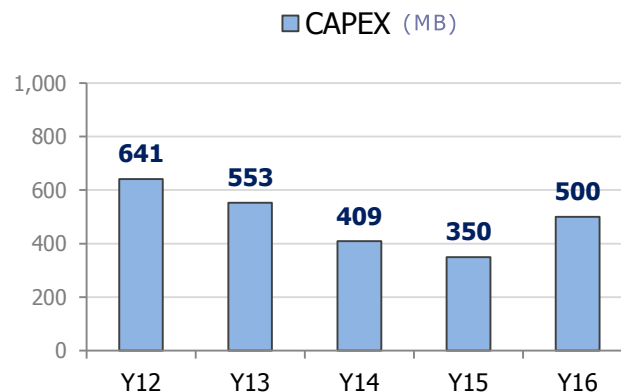
Total liabilities/Total Equity



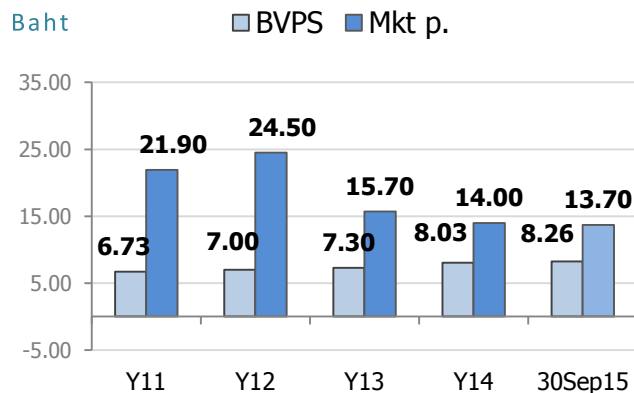
Liquidity Ratio



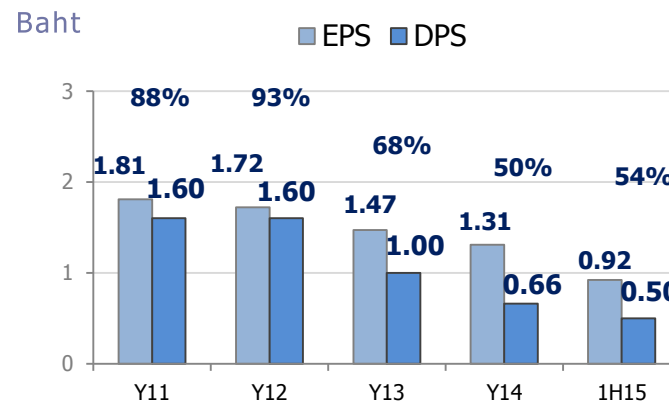
CAPEX



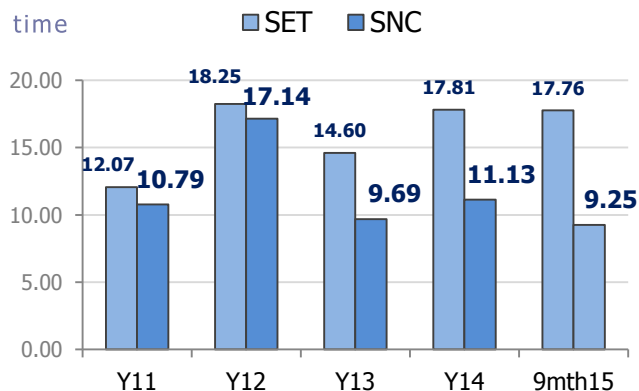
BVPS & Market price



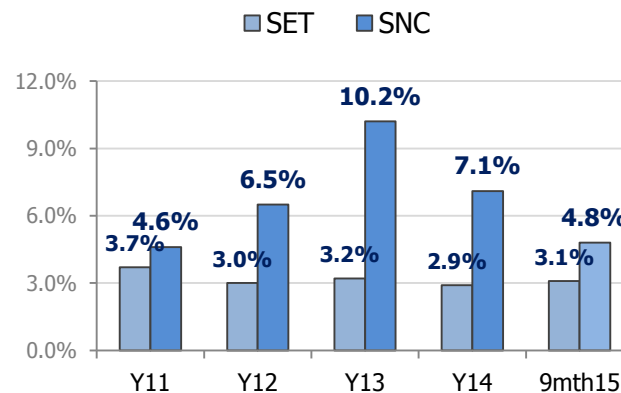
EPS DPS



PE



Dividend yield



Dividend policy > 50% of profit

Unit : THB million				YoY	QoQ	9mth14	9mth15	YoY
	3q14	2q15	3q15					
Revenue - section i								
Auto - Pipe	150	127	169	+	+	489	452	-
Auto - Plastic	75	67	66	-	-	219	227	+
EA - OEM/ODM	451	1,127	388	-	-	2,332	2,945	+
EA - Parts	675	800	621	-	-	2,509	2,383	-
Total section i	1,350	2,121	1,244	-	-	5,549	6,007	+
Revenue - section ii								
SCAN	-	2	11	+	+	-	13	+
SSMA(49%)**	101	116	113	+	-	276	382	+
SAHP	-	164	120	+	-	-	391	+
TTD	32	30	36	+	+	95	90	-
Others	-	2.0	1.3	+	-	-	3	+
Total section ii	32	198	168	+	-	95	497	+
Revenue GT	1,382	2,319	1,413	+	-	5,645	6,504	+

3q15

+ Auto-Pipe was improved due to new Revo.

- EA OEM and Parts were slow down due to products over supply and commodity price (LME \$ 6700 to 6000)

Unit : THB million				YoY	QoQ			YoY
	3q14	2q15	3q15			9mth14	9mth15	
Net profit - section i								
Auto - Pipe	19.9	4.7	22.7	+	+	63.5	45.5	-
Auto - Plastic	4.9	2.8	2.7	-	-	8.4	15.5	+
EA - OEM/ODM	(1.5)	10.4	0.3	+	-	29.4	51.6	+
EA - Parts	64.3	95.0	40.6	-	-	265.9	264.3	-
Total section i	88	113	66	-	-	367	377	+
Net profit - section ii								
SCAN	(16.8)	(26.5)	(13.1)	+	+	(56.3)	(64.2)	-
SSMA (49%)	(4.1)	(4.6)	7.0	+	+	(11.0)	2.1	+
SAHP (74%)	(0.3)	12.0	11.2	+	-	(0.5)	29.0	+
TTD (66%)	1.3	(0.4)	-	-	+	3.7	(2.5)	-
Others	(0.7)	(5.4)	(15.3)	-	-	(3.3)	(21.5)	-
Total section ii	(21)	(25)	(10)	+	+	(67)	(57)	+
Net profit GT				-	-	300	320	+

3q15

- Operation 3q15 + countermeasure 3q14 + deferred tax = -25 MB

+ Useful life extension + die profit + SAHP operation = + 17 MB

SNC

Thank You



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